Distr.
GENERAL

IDB.11/30
22 June 1993

ORIGINAL: ENGLISH

United Nations Industrial Development Organization

Industrial Development Board

Eleventh session
Vienna, 28 June - 2 July 1993
Item 12 of the provisional agenda

PERSONNEL MATTERS

Statement of the staff of UNIDO

Submitted by the President of the Staff Council of UNIDO
through the Director-General

1. The staff of UNIDO has, for the past nine years, presented its views to the Industrial Development Board on a broad range of issues. Much time and thought has gone into the preparation of the staff statements, which have often contained constructive proposals for an improvement both in the conditions of employment of the staff, and the efficiency and effectiveness of the Organization. Whether or not the staff's views ever managed to strike a responsive chord among members of the Board is a matter of conjecture. The absence of any meaningful discussion of the various issues raised by the staff as well as the minimal amount of time allotted to the relevant agenda items, have been indicative of a token, albeit sympathetic, interest on the part of the members of the Board. Thus, previous experience coupled with the already heavily charged agenda before the Board, have encouraged the Staff Council to address itself to the Board at its current session on a single issue: the current crisis facing the Organization.

2. UNIDO - the bright, young star of the United Nations, which encompassed the hopes of the developing nations for a more equitable distribution of the world's means of production - is fading fast. Some would say that, having lost its lustre, it is only a matter of time before it disappears entirely. Others, wishing against the odds, believe that, in time, it could return to greater strength. The staff has no illusions as to those responsible for the current crisis facing UNIDO, and if the present statement may appear to read like an indictment of both senior management and Member States, then it is in an effort to avoid a recurrence in the future of the chain of events which precipitated the decline of UNIDO. For only if certain basic conditions are met, certain pernicious practices discontinued, does the Organization have a chance, in the eyes of the staff, of survival.

Role of Member States

3. The staff expects Member States, through the policy-making organs, to define the needs of the developing countries in terms of industrial development and decide how UNIDO can be moulded to respond to their needs; to determine the role and commitment of the developed nations to the industrialization of the rest of the world; to develop a structural framework for the Organization and establish priorities in its work-plan; to agree on a programme of work for a given period, and provide the necessary resources to allow the Organization to execute that programme.

4. Member States have contributed to the debilitation of UNIDO in a number of ways. Firstly, the Organization has been stifled by political interference. Micro-management by Member States is simply not acceptable. If the Organization is to fulfil its mandate it needs to maintain objectivity, impartiality and independence. It cannot bow to the whims and pressures of Permanent Missions concerning appointments, promotions, requests for superannuation and reassignments of their nationals. It cannot be blackmailed by States who tie payment of their assessed contributions to the appointment of a specific national to a specific post, particularly where the individual is not qualified for the post.

5. Second, the policy-making organs have, for some time now, been dragging their heels on important decisions such as the restructuring of UNIDO. The petty squabbles which have ensued both inside and outside the Boardroom have left the Organization and its staff in limbo. The staff would have the greatest respect if given the opportunity to listen to the formulation of guidelines for the future of UNIDO. Witnessing

the numerous and extended discussions on whether or not the staffing table of the Organization should include a P-2 post here, or an extra GS post there, has been difficult to swallow.

6. Third, it is difficult for staff to reconcile the failure of many Member States to meet their financial obligations with their often vocal interest in micro-management. It is not surprising that those Member States who have met their commitments, whether large or small, should resent the irresponsibility of those who fail. In the opinion of the staff, there should be stiff financial penalties for delayed or non-payment of assessed contributions, and offenders should be excluded from having a voice in the policy-making organs.

7. Finally, the staff would appreciate a more professional approach on the part of its governing bodies to the Organization. Political games may be the order of the day in the General Assembly of the United Nations, but should not deflect the Industrial Development Board from its specialized, technical path.

Role of management

8. There is no doubt in the mind of the staff that UNIDO has, for some time, suffered from poor management. The responsibility cannot be neatly laid at the feet of any one senior manager (as has been tried in the past once the "culprit" has left the Organization). Warning lights were flashing long, long ago that UNIDO would find itself in a precarious position once the UNDP successor arrangements were introduced. Despite the efforts of senior management to establish a vision for the Organization, no blue-print has been formulated, no viable plan elaborated. Reams of paper have been used in an effort to restructure the Organization, but it would appear to the staff that management was groping in the dark. The question of the number of deputy directors-general has been bounced back and forth between management and the governing bodies, while the absence of a final decision on the issue has seemingly paralysed the restructuring process. If the staff had been asked, it would possibly have questioned the need for DDGs at all, although it is recognized that the chief executive requires a deputy to stand in when he/she is absent from the duty station. In the present financial climate, the Organization can simply not afford more than one deputy director-general.

9. The absence of any accountability on the part of managers has allowed serious misdemeanours to go unchallenged. While junior staff members can be subjected to disciplinary measures for failing to include their spouses' overtime on a dependency status form, those responsible for the series of financial disasters which have shaken the Organization in the recent past, have not been held accountable. The staff would wish to see the introduction of measures to hold senior management accountable for their decisions and actions.

10. The staff has been informed recently of the need to reduce a considerable number of posts within the Organization. Predictably the staff members most affected will be General Service staff who can in no way be held responsible for the mismanagement of UNIDO. Over a hundred of them stand to lose their jobs, while the impact on the workload of those remaining will be devastating. The bitterness of the staff is acute since they are convinced the current cheese-paring exercise could have been avoided through astute financial and personnel management. It is questionable whether the Organization will be able to cope with a severe depletion of staff; it may well find itself in a situation where a short-term gain soon turns into a long-term loss.

Role of the staff

11. The reticence of the staff can be perceived as condoning the blatant mismanagement of the Organization. The lack of security of tenure which is the lot of over half the staff, including all those who have joined UNIDO since it became a specialized agency, effectively silenced any protests. Many saw the warning signals back in 1989, when rumours about the UNDP successor arrangements were first circulating. The staff, through their own vulnerability, accepted to be hoodwinked that all was well.

12. The disinclination to accept and adjust to change doubtless contributed in part to the current crisis facing UNIDO. If direction was lacking, the staff itself should have demonstrated sufficient initiative and courage to make the adjustments necessary. Recently, there has been an indication that the involvement of staff in management decisions may be welcome. While the staff does not aspire to co-management, it has, for example, willingly accepted the responsibility of participation in a task force on priorities and structural reform, and is convinced that it can make a useful contribution in such areas in the future. Staff/management dialogue does not merely imply sitting round a table discussing the price of coffee in the vending machines, and the staff is gratified that this view is shared by the new management of the Organization.

13. The staff recognizes, but does not countenance, the dire situation in which the Organization finds itself. We are prepared to deploy superhuman efforts to achieve the desired implementation figures; we would gladly accept retraining in skills which would render our services even more useful to the Organization, and suggest that an adequate budget should be established for such training.

14. Finally, we have worked long and hard - many of us since the very earliest days of UNIDO in 1967 - to create an organization which would promote and accelerate the industrial development of the developing countries. We are willing to attempt the impossible to see it through.